

**IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

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In re : Chapter 9  
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CITY OF DETROIT, MICHIGAN, : Case No. 13-53846  
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Debtor. : Hon. Steven W. Rhodes  
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**DEBTOR'S OBJECTION AND BRIEF IN OPPOSITION TO CORRECTED  
CLASS CLAIMANTS' MOTION FOR APPLICATION OF  
FED.R.BANKR.P 7023 AND FOR RELATED RELIEF**

The City of Detroit ("City") files this Objection and Brief in Opposition to the Corrected Class Claimants' Motion for Application of Fed.R.Bankr.P. 7023 and for Related Relief ("Motion") filed by LaSalle Town Houses Cooperative Association, Nicolet Town Houses Cooperative Association, Lafayette Town Houses, Inc., Joliet Town Houses Cooperative Association, and St. James Cooperative ("Cooperatives"), on behalf of themselves and the class. In support of this Objection, the City respectfully represents as follows:

1. It is not necessary or proper for this Court to decide, as sought in the Motion, whether to enter an order certifying the proposed class when it previously granted the Cooperatives' request to litigate this precise issue in the U.S. District Court. It is also not necessary for this Court to consider the balance of the relief requested by the Cooperatives when this Court's lift stay order provides that any

alleged liability of the City would be resolved by the U.S. District Court. The Motion does not articulate any need, under the facts here, for a separate certification order in this Court. Indeed, a second certification order would present a myriad of unnecessary issues, including the appellate rights of the parties, when there is already a process in place in the U.S. District Court to finally decide this question and the question of the City's alleged liability.

2. On December, 18, 2013, this Court granted the Cooperatives relief from the automatic stay to allow them to "continue prosecution of the class action for the limited purpose of pursuing class certification, establishing liability, and seeking to enjoin the DWSD from charging improper rates."<sup>1</sup> On February 25, 2014, the Cooperatives filed the Motion which seeks, among other things, entry of an order certifying the class, appointing class counsel and the application of Fed. R. Bankr. P. 7023. On March 3, 2013, the U.S. District Court entered an order granting class certification and appointing class counsel.<sup>2</sup>

3. The City does not intend to, nor does it believe this Court's order permits, a challenge in this bankruptcy case to a final order entered by the U.S.

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<sup>1</sup> Order for Relief from the Automatic Stay to Allow Class Action to Proceed at 2. [Doc. No. 2223].

<sup>2</sup> Order Denying Motion to Dismiss [#22], Granting Motion to Certify Class [#20], Finding Renewed Motion to Certify Class [#38] Moot, Finding Renewed Motion to Dismiss [#45] Moot and Cancelling Oral Argument and Setting Status Conference for March 4, 2014. [Doc. No. 47 in District Court Case No. 12-cv-13747].

District Court regarding class certification, class counsel or liability. This Court ordered that these issues would be decided by the U.S. District Court and the City will abide by any final order from the U.S. District Court for purposes of its bankruptcy case. A parallel certification, appointment or order by this Court is not necessary or economic. As such, the Motion should be denied.

Dated: March 14, 2014

Respectfully submitted,

By: /s/Timothy A. Fusco  
Jonathan S. Green (P33140)  
Stephen S. LaPlante (P48063)  
Timothy A. Fusco (P13768)  
MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500  
[green@millercanfield.com](mailto:green@millercanfield.com)  
[laplante@millercanfield.com](mailto:laplante@millercanfield.com)  
[fusco@millercanfield.com](mailto:fusco@millercanfield.com)

David G. Heiman (OH 0038271)  
Heather Lennox (OH 0059649)  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212  
[dgheiman@jonesday.com](mailto:dgheiman@jonesday.com)  
[hlennox@jonesday.com](mailto:hlennox@jonesday.com)

Bruce Bennett (CA 105430)  
JONES DAY  
555 South Flower Street Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 243-2382  
Facsimile: (213) 243-2539  
[bbennett@jonesday.com](mailto:bbennett@jonesday.com)

ATTORNEYS FOR THE CITY OF DETROIT

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the forgoing **DEBTOR'S  
OBJECTION AND BRIEF IN OPPOSITION TO MOTION TO EXTEND  
TIME TO FILE CLASS CLAIMANTS' PROOF OF CLAIM** was served upon  
counsel as listed below, via electronic mail and First Class United States Mail:

Robert N. Bassel  
P.O. Box T  
Clinton, MI 49236  
[Bbassel@gmail.com](mailto:Bbassel@gmail.com)

By: /s/Timothy A. Fusco  
Timothy A. Fusco  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
[fusco@millercanfield.com](mailto:fusco@millercanfield.com)

Dated: March 14, 2014